

MARKETING MATTERS

Official Publication of the Kentucky Department of Agriculture's Office for Agriculture Marketing and Product Promotion

Volume No. 5 Issue No. 3

Released August 16, 2004

Published Quarterly

Dennison's Roadside Market Offers Variety

By Bill Holleran

Paul and Kathy Dennison started raising tomatoes at their home near Horse Cave as part of a University of Kentucky demonstration plot 10 years ago to sell at a produce co-op. They started selling tomatoes that didn't meet the co-op's size specifications on a picnic table in front of their home and soon realized there was great demand for locally grown produce. Now customers regularly travel from as far away as Shepherdsville to take advantage of the wide variety of products offered at their roadside market.

The family raises 50 acres of tobacco and 23 acres of vegetable crops, including 10 acres of cabbage and 12,000 tomato plants, on their 200-acre farm.

The Dennisons converted an old tobacco barn into a store and added coolers for produce, soft drinks and ice cream after customers began asking for more variety. They now sell tomatoes, cucumbers, squash, beans, sweet corn, potatoes, melons, salsa, relish, jams, jellies, apples, breads and other specialty items. They built two greenhouses to sell vegetable, bedding, and tobacco plants. They raise 300 fruit trees, an acre of strawberries and an acre of blackberries, and have a petting zoo. In the fall, hayrides to the pumpkin patch are popular with school children who take field trips to the farm.

This year the Dennisons took their home-grown strawberries to Chaney's Ice Cream in Bowling Green, and Chaney's made them some strawberry



Kathy Dennison sells a variety of apples at the market.

ice cream to sell at their market.

Kathy Dennison runs the market while her husband tends the crops. They employ between four and 10 migrant workers each year to help with production and harvest. The Dennisons sell produce at their roadside market, the Green River Produce Co-op, and the Louisville produce terminal. They also schedule deliveries to area retailers.

"This business isn't for everybody," said Kathy Dennison. "It requires long hours, hard work, commitment, and it requires reliable help. April through December it's a full-time job. Since we start our own transplants in February, January is about our only month off."

The Dennisons advertise through brochures at interstate rest areas and through Kentucky Farm Bureau's Certified Roadside Market brochure. They also have many repeat customers and believe word-of-mouth advertising has

brought many new customers in. They are also working with a local bank to incorporate technology that will take credit, debit, and EBT cards. The Dennisons also sell other Kentucky products in their store. "What we don't have, we will buy from other producers," said Kathy, who hopes to add an ice cream parlor to their store in the future to attract more business.

The store is open Monday-Saturday 8-6 and Sunday 12-6. It's located about five miles from I-65. Follow Highway 218 South and turn left on 31-E. The farm is one mile on the right. For more information call Kathy at (270) 786-1663.

In This Issue

Dennison's Roadside Market Offers Variety

Free-Range Opportunity for Kentucky Farmers

Forage Testing Program Receives National Certification

Grouping Cattle for Marketing Leverage

Pride of Kentucky Showcase to Raise Awareness of Agri-tourism

Chaney's Diversify with Agri-tourism

Free-Range Opportunity for Kentucky Farmers

By Tess Caudill
& Emily Branstetter

When Matt John, owner-operator of Shady Lane Poultry Farm, opened his small Clark County hatchery, he had a vision of developing a complete alternative poultry production chain starting with his Kentucky-hatched chicks all the way to a Kentucky-processed finished product. The June opening of S.S. Enterprises Inc., an independent USDA-inspected poultry processor near Bowling Green, brought that vision one step closer to reality. Now, Kentucky's specialty poultry producers have an opportunity to sell a Kentucky poultry product bred, hatched, grown and processed in Kentucky.

S.S. Enterprises Inc. is the end result of 2 1/2 years of hard work and planning by Tim and Barbara Mracek. The plant is intended to benefit the small farmer looking for new enterprises that can provide extra farm income. As Kentucky's tobacco production decreases, farmers are looking for ways to diversify, and raising chickens looks to be a promising option.

Demand is growing for the type of poultry that the Mraceks process. The birds Tim processes are raised without antibiotics or growth hormones and are "free-range" or pastured poultry. Many health-conscious consumers and chefs are interested in poultry that has been raised following these strict guidelines and feel that these birds taste better than tradi-

tional poultry raised in confinement. "We process the highest quality poultry in the United States, and there is definitely a niche for that," Tim Mracek said. Because the Mraceks' plant is USDA-inspected, very strict procedures are followed to be sure the product is safe for the consumer.

Poultry processed by the Mraceks is gaining statewide recognition. Taste tests performed in Louisville and Lexington have been extremely positive. Producers are marketing their processed birds in local farmers' markets and to chefs in major restaurants throughout the state. In the future, the Mraceks are looking to purchase farm-raised birds from local producers to process and market on a larger scale.

Matt John estimates producers marketing specialty chickens could earn \$3 per bird, even with the extra marketing expenses. While raising specialty poultry on this scale may not support an entire farming operation, it could make a difference for many farmers.

The Mraceks are processing one day a week with hopes to increase to two days by the end of the summer. Approximately 300 birds are processed in a day with the capacity to process 50,000 birds per year. Tim and Barbara have five employees.

As Matt John's vision for an alternative poultry production chain for Kentucky begin to come together, the missing link now appears to be producers. "While production is growing, we are not meet-

ing the current demand from both restaurants and individual consumers," John said. Since S.S. Enterprises opened last month, demand for John's Kentucky-raised broiler chicks has picked up. "I expect demand to increase rapidly over the next couple of years," said John.

"This is a great opportunity for small farm operators," Tim Mracek said. "Even kids who attend school can raise birds during the summer."

Interested producers can receive information and assistance from the Kentucky State University Extension service. KSU and Partners for Family Farms employ Steve Skelton to work with farmers on production and marketing of farm-raised poultry. In addition, Kentucky independent poultry growers are in the process of forming an organization, New Traditions Poultry, to support the development of this industry.

"Opportunity now exists for farmers to sell a completely Kentucky poultry product," Matt John said. Kentucky-raised broiler chicks are readily available, farmers now have a legal and convenient way to process their birds, demand is strong, and the enterprise shows the potential for profit.

For additional information contact Tim and Barbara Mracek, (270) 777-3214 or kybarb2002@msn.com; Matt John, (859) 737-2636 or info@shadylanepoultry.com; or Steve Skelton, (502) 597-7501.

Forage Testing Program Receives National Certification

By Debra Day

The Kentucky Department of Agriculture's Forage Testing Program has received its 2004 certification from the National Forage Testing Association (NFTA), a body dedicated to improving the accuracy of forage testing nationwide.

The NFTA is an alliance between the American Forage and Grassland Council, the National Hay Association and forage testing laboratories across the United States. NFTA sends out samples to participating labs for analysis. Each lab performs tests for crude protein, dry matter, acid detergent fiber and neutral detergent fiber. Labs must be within a certain range

of tolerances to maintain certification.

The Forage Testing Program was established to provide information about hay produced in Kentucky for producers as well as consumers. The hay analysis provides nutritional values used to balance rations and provides producers with information that enables them to promote their product to buyers. The end result gives producers nutritional information that is important for reducing production costs by balancing a ration on a least cost basis.

Field staff visit farms and collect hay samples for a \$10 fee per "lot" of hay. The sample is then processed and analyzed at the Frankfort lab. The nutritional

analysis establishes a baseline and becomes a measurement tool. In addition, the analysis can be a valuable marketing tool for producers selling hay. Nutritional results and pictures can be listed on the Department's Web site for those interested.

The Forage Testing Program has recently moved under the Office of Agriculture Marketing and Product Promotion located at 100 Fair Oaks Lane, 5th Floor, Frankfort, KY 40601. Debra Day, John Mark Miller, Jim Wade and Gary Green administer the program. For more information call (800) 248-4628 or (502) 564-4983.

Grouping Cattle for Marketing Leverage

By Tim Dietrich

For many years now through the CPH-45 program we have seen the advantages of grading and commingling cattle into large groups when it comes to marketing. There are those who will argue that the grading and grouping of the cattle is just as important as the health and preconditioning program the calves go through when it comes to the price advantages.

Mark Barnett, managing partner of the Kentucky-Tennessee Livestock Market at Guthrie, Ky., has been grouping and packaging cattle at their weekly sales since becoming involved with that stockyards in 1979. "The buyers like it, and it makes the sellers money," Barnett said.

In the fall of the year, when they have runs of 2,500 to 3,000 head, a sale may begin several hours late, but it doesn't take long to sell the cattle because they are in large groups. "As long as there is only one person doing the grouping, we can keep uniformity among the groups, and that is what the buyers want," Barnett said.

In the spring and summer, when they have runs of 1,200 to 1,400 head, all of the grouping gets done across one set of scales, and they can usually get the sale started on time. "We do this as a service for both the buyers and the sellers," Barnett said. "The buyers don't have to sit

through a long, drawn-out sale of small groups to get the numbers they need, and the sellers have the marketing power of large load-lot groups."

Generally speaking, cattle in the 250- to 800-pound weight range get grouped together; they are sorted by hide color, type and sex. Steers, heifers and bulls are all divided into their respective groups. Once a group has a load in it (about 50,000 pounds), a new group is started. The week before I was there they had a total of 1,300 head, and out of that total 1,078 head were grouped and sold as commingled cattle. Only 50 sold individually because they didn't fit a group.

Whenever the numbers warrant it, they even package cull cows together. "Cows that are in good flesh and slick can be put together, and we sell them the same way we do the calves," Barnett said. Barnett's system is fair to both the seller and the buyer. He said that is the reason for the long-running success of their sales.

In 1994 the stockyards installed a computer system that has proven to be extremely reliable and a great time-saver. Efficiency is such that checks are available almost immediately after a producer's cattle are sold. This system gives them the flexibility to move cattle to a different pen should the need arise without presenting any problems. The decision 10 years ago to invest in modern

technology has proven worthwhile.

This type of a commingled sale is not necessarily easier from the stockyards' standpoint. It increases the workload before the sale, and it requires a good crew of reliable workers to make sure all the cattle get in the right pens. It also demands accuracy in counting the pens after sorting and before the sale.

Once the sale starts, the actual selling time is relatively quick because there are a lot fewer actual sales, just more cattle per sale. Barnett said many times only half of the pen will go through the ring, giving the buyers the option to request that all of them come through, but they have never had to do that, because buyers are confident in their ability to sort the cattle.

Sales of this type truly are a win-win situation. Producers have the marketing power of large groups, and buyers have the opportunity to purchase large groups of cattle in a short amount of time. These sales are possible only with a weigh-in situation and take a dedicated, capable crew to make them work, but they can be very rewarding for everyone involved.

Consider group marketing your cattle through one of Kentucky's Certified Preconditioned for Health (CPH-45) sales this fall. For a schedule of CPH-45 sales and their locations visit the Kentucky Cattlemen's Association Web site at <http://www.kycattle.org/>

Pride of Kentucky Showcase To Raise Awareness Of Agri-tourism

By LeeWood Pugh

The Pride of Kentucky Showcase in September will give visitors the opportunity to find great Kentucky recipes and learn about farm life and traditions.

The Showcase will feature the "Pride of Kentucky" cookbook and introduce Cave Region Agritourism. It will take place Sept. 16 from 2-8 p.m. CDT at the Carroll Knicely Conference Center in Bowling Green.

Cave Region Agritourism, which is based in Bowling Green, plans and implements programs to benefit farmers by the promotion of agritourism operations. Agritourism is defined as any time a farm

or farm-related business invites visitors to partake in fun and activities on the farm.

The cookbook is in its second printing. It was published in 2003 by the Kentucky Extension Association of Family and Consumer Sciences and was unveiled at the 2003 Kentucky State Fair. The Kentucky Department of Agriculture has helped market the book. The cookbooks are available for purchase from local Extension offices, whether for yourself or as a special gift that can be cherished for years.

"Pride of Kentucky" is about Kentucky's great foods, rich rural heritage and fun destinations. Some of the recipes

are made up entirely of products grown here in Kentucky.

The cookbook and Cave Region Agritourism are intended to raise awareness about the beautiful Kentucky countryside and interesting sites.

Proceeds from book sales go to an educational endowment fund for scholarships and an awards program to recognize excellence in education.

The showcase is being sponsored by the University of Kentucky Cooperative Extension Service, West Kentucky Corporation, Kentucky Farm Bureau and Cave Region Agritourism Inc.

Chaney's Diversify with Agri-Tourism

By Emily Branstetter &
Eunice Schlappi

Where is it possible to eat some of the best ice cream in Kentucky, tour a functioning dairy farm, and ride a "Moo Wagon" to see a real Jersey cow being milked? The answer is Chaney's Dairy Barn on Nashville Road in Bowling Green.

The ice cream shop on the Chaney family farm has vastly exceeded expectations since it opened in October 2003. "It is like it was meant to happen," said Carl Neal Chaney.

Chaney's Dairy Barn truly is a family affair. Carl Neal and youngest daughter Elizabeth conduct tours; Carl Neal's wife, Debra, cooks all the food served at the shop; oldest daughter Jessica mixes all the ice cream, and son James Neal engineered the Moo Wagon.

"We are people's people," Debra Chaney said when explaining the farm's success. "We understand that many families are looking for good, wholesome things to do, and that is what we provide here."

The 45-minute farm tour takes guests aboard the "Moo Wagon" to the dairy barn, where they pass by the milking herd and experience first-hand how to milk a dairy cow. The tour concludes with a cone of the Chaney's famous ice cream. Visitors leave with more knowledge about the dairy industry and a fuller stomach!

The Chaney's sell other Kentucky Proud products along with their own. They estimate that 17-21 percent of their cost of materials comes from Kentucky products. Currently strawberries, peaches, and pecans that go into

their ice cream come from local producers. They are exploring the possibility of buying their mix from a Kentucky source.

Other Kentucky Proud products sold at the Dairy Barn are Kenny's Country Cheese, Scott's Hams, jellies, honey, wood products, and even soap made from the Chaney's own fresh Jersey cream.

The farm has been in the Chaney family since 1878, and they began to milk dairy cattle in 1940. When milk prices plummeted, Carl Neal Chaney began to look for other ways to make money on the farm.

The farm sold 100 head of Jersey cattle on an Internet auction. This provided the Chaney's with the money needed to further explore other ideas. They originally planned to process their own milk and began traveling across the United States to observe farms that were already processing their own milk. At many of the stops along the way, dairy farms were making ice cream. Carl Neal began to realize that ice cream might be the answer for his diversification needs.

When the Chaney family returned home they began to develop plans for the Dairy Barn. Carl Neal attended the Pennsylvania State College Ice Cream Short Course, along with students from throughout the United States and seven other countries. "When I left there I knew I could make as good or better ice cream than anybody in the country," he said.

The Chaney's opened their Dairy Barn in October 2003 with one dipping cabinet and one cash register. Their business has far exceeded what they anticipated. They have



added another dipping cabinet and cash register as well as a walk-up window. Chaney's Dairy Barn has 22 employees, not counting family, and one full-time manager.

The Chaney's are considering adding a corn maze, miniature golf course and other ventures. Their ultimate goal is to be bottling and processing their own milk within two years.

"Chaney's Dairy Barn is an excellent example of a successful diversification enterprise," said Michael Judge, executive director of the Kentucky Department of Agriculture's Office of Agriculture Marketing and Product Promotion. "The Chaney's have tapped into the traveling public's desire for destinations closer to home, relaxing activities and fresh, high-quality local products. This is an exciting time for agritourism in Kentucky."

The Chaney's seek to give visitors the full farm experience. One young man opened the door to Chaney's Dairy Barn and announced: "I came for the ice cream." Whether you are doing just that or looking for a getaway from the city, Chaney's Dairy Barn is the perfect place to go.

For more information, contact Chaney's Dairy Barn by phone at (270) 843-5567 or log on to www.chaneyisdairybarn.com.

The Department of Agriculture does not discriminate on the basis of race, color, national origin, sex, religion, age or disability in employment or the provision of services. Reasonable accommodations are provided upon request.



Kentucky Department of Agriculture

www.kyagr.com

Division of Value-Added Marketing

100 Fair Oaks Lane, 5th Floor

Frankfort, KY 40601